Approved For Release 2000/64/11 CIA-RDP61-00549R000300010018-3

IAC-D-100/4 7 February 1956

INTELLIGENCE ADVISORY COMMITTEE

Validity Study of NIE 24-54:

Probable Developments in Italy,

published 16 November 1954

The attached validity study of NIE 24-54, "Probable Developments in Italy," published 16 November 1954, was noted by the IAC on 7 February (IAC-M-229, 7 February 1956, item 5 c).

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- 1. NIE 24-54 estimated developments in Italy through 1958. Hence the validity of its judgments cannot now be fully determined. In general, its principal conclusions appear to be still sound.
- In particular, the social and economic weaknesses noted in NIE 24-54 as basic to the Italian situation persist, and no substantial mitigation of these conditions is in sight. Developments since the publication of NIE 24-54 have tended to substantiate many of its other significant estimates, e.g.: (a) the Communists would be unlikely to come to power either electorally or by force, although the basic electoral appeal of the Communists would remain great; (b) the Scelba government would probably be replaced by mid-1955; (c) indications pointed toward a moderate leftward swing in Italian domestic policy; (d) the Italian government would attempt to implement economic and social reforms but obstacles to implementation of far-reaching programs, including divisions within the center coalition, would remain formidable; and (e) the Christian-Democrats would improve their organization and probably make some net electoral gains, while rightist parties would suffer a further recession in popularity.
- 3. Nevertheless, NIE 24-54 though recognizing difficulties within the coalition did not anticipate the extent to which these and other developments would increase the chances of political cooperation between the center parties and the Nenni Socialists.